

# Report on the statutory public consultation on the proposed merger of Northumberland College and Newcastle College Group

**July 2011**

Of interest to stakeholders in this proposed merger



## Foreword

As Chief Executive of Skills Funding, I am pleased to publish this report on our recent statutory public consultation on the proposed merger of Northumberland College and Newcastle College Group.

We received 364 responses. This is the highest response we have had to a merger consultation so thank you to everyone who took the time to respond.

Although 63 per cent of respondents did not support the proposed merger at this initial stage, there was clear support for the benefits that the proposal could bring from key stakeholders.

It is also noteworthy that some 22 per cent of the respondents submitted an identical letter. So while these respondents were willing to send the letter, care has to be taken not to allow the efforts of one respondent who enlisted others to their cause to over shadow the views, supportive or otherwise, of the full range of stakeholders.

Also, in assessing the weight to place on each respondent's views, regard must be given to the degree to which they represent narrower individual, versus wider public interests. In particular, learner and wider community benefit must carry greater weight than personal or competitive concerns, valid as they may be.

Summarising all the comments received in a relatively short report is challenging but we hope we have captured the key issues and some key messages to inform the development of the final merger proposal.

I would like to take the opportunity here to address an issue raised by more than one stakeholder, namely grants to support the merger. There was divided opinion on whether such grants should be made. I can confirm that no such grants are available from the Agency to support this proposed merger, or any others. Newcastle College Group and Northumberland College must fund

this merger themselves if they decide it is in their mutual interest. It must be borne in mind that the surplus resources for colleges to use for mergers or other investment purposes are primarily derived from public funding.

The next step is for Newcastle College Group and Northumberland College to consider the outcomes of the consultation and propose ways to mitigate concerns, or explain why they believe specific concerns, although not able to be addressed, are outweighed by the benefits to learners and the wider community. The colleges will also review the due diligence results and then submit a final merger proposal for assessment by the Agency.

If it is assessed as meeting the requirements, a proposal will be made to the Secretary of State for Business, Innovation and Skills, who will decide whether to make the order to dissolve the further education corporation of Northumberland College and transfer the property, rights and liabilities of that corporation to Newcastle College Group.

If you have any queries about this report or would like it in another format, please contact [providerreorganisations@skillsfundingagency.bis.gov.uk](mailto:providerreorganisations@skillsfundingagency.bis.gov.uk)

A handwritten signature in black ink, appearing to read 'Geoff Russell', written in a cursive style.

Geoff Russell, Chief Executive of Skills Funding

## Introduction

- 1 This is a report on the statutory public consultation on the proposed merger of Northumberland College and Newcastle College Group. Henceforth in this report the following abbreviations are used:
  - Newcastle College Group (NCG)
  - Northumberland College (NC).
- 2 The consultation was undertaken by the Chief Executive of Skills Funding in accordance with the provisions of section 51 of the Further and Higher Education Act 1992, as amended by the Apprenticeships, Skills, Children and Learning Act 2009.
- 3 The consultation took place between 16 May and 17 June 2011. Public notices were issued in line with legislative requirements, including in a local newspaper. Views could be submitted in an online consultation survey, by email or in writing.
- 4 The questions in the online survey are presented at **Annex A**.
- 5 This report includes high level summaries of the comments submitted by respondents. They are not presented as facts or the views of the Agency. In the interests of concision, comments that reoccurred more than once are not repeated.

## Background

- 6 In accordance with the provisions of section 51 of the Further and Higher Education Act 1992 (the 1992 Act) as amended by the Apprenticeships, Skills, Children and Learning Act 2009, responsibility for the public consultation on a proposed further education (FE) college merger lies with the Chief Executive of Skills Funding.
- 7 In this case, the corporation of NC has proposed the dissolution of the corporation to enable it to merge with NCG. The proposal is for the property, rights and liabilities of NC to be transferred to the corporation of NCG. The proposed date for the merger to take effect is 1 January 2012.
- 8 Following the consultation, NCG and NC will produce a Final Merger Proposal (FMP). This will be reviewed by the Chief Executive of Skills Funding and a submission made to the Secretary of State. The Secretary of State will then decide whether to provide for the dissolution of the FE Corporation of NC and the transfer of its property, rights and liabilities.
- 9 The Government confirmed its merger criteria for FE colleges in *Further Education Colleges – Models for Success*, August 2008.
- 10 These criteria are that the FMP ensures the embedding of all aspects of equality and diversity and that it is likely to:
  - address the needs of learners and employers
  - increase opportunity for the learner to exercise choice and encourage diversity in the education and training available
  - increase local participation rates and result in improved quality and success
  - develop innovation and improve access to learning for the community
  - promote effective community cohesion through community presence and representation within governance structures
  - provide better value for money.

## Consultation Process

- 11 NCG and NC produced a consultation document, which was endorsed by the Chairs of both Governing Bodies. This was used by the Chief Executive of Skills Funding as the consultation document.<sup>1</sup>
- 12 The statutory public consultation began on 16 May 2011 and ended on 17 June 2011. The provisions of section 51 of the Further and Higher Education Act 1992 state that the consultation period must be at least one calendar month.
- 13 A Statutory Notice (Annex B) appeared in the 16 May edition of The Northumberland Journal. Statutory notices were also placed at:
  - the main reception areas of NC's sites at Ashington, Kirkley Hall, Berwick, Alnwick and Prudhoe
  - Rye Hill House, which is the learner service area for NCG
  - Berwick, Ashington, Ponteland and Prudhoe public libraries.
- 14 There were three ways for stakeholders to respond to the consultation:
  - i. completing an online survey
  - ii. sending an email to a dedicated address
  - iii. writing to the Chief Executive of Skills Funding.
- 15 Notice of the consultation, with information on how to respond and links to the consultation document and online survey, was available on the consultation section of the Skills Funding Agency website for the whole of the consultation period. Stakeholders were also given ways to contact the Agency if they wanted a paper copy of the consultation document or a copy in another format. Links to the information were displayed on the websites of both NC and NCG. In addition, news messages relating to the consultation were published on staff and learner intranet sites.
- 16 To ensure that local Members of Parliament were fully briefed about the merger proposal, the Chair of Governors and the Principal of NC initiated

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[http://readingroom.skillsfundingagency.bis.gov.uk/sfa/proposed\\_merger\\_of\\_northumberland\\_college\\_and\\_newcastle\\_college\\_-\\_consultation\\_document.pdf](http://readingroom.skillsfundingagency.bis.gov.uk/sfa/proposed_merger_of_northumberland_college_and_newcastle_college_-_consultation_document.pdf)

a series of meetings in advance of, and during, the formal consultation period. Meetings were held with the MPs for Blyth Valley, Wansbeck, Berwick and Hexham, during which they were able to discuss the implications of the merger directly with the Chair and Principal and contribute to the consultation process.

- 17 The Chief Executive of Skills Funding wrote to a list of potential national, regional and local stakeholders to notify them of the consultation and invite a response (**Annex C**).



## **Responses received**

### **Access related requests**

- 18 There was one request for the consultation document in another format and two requests for a hard copy of the response form. As these responses did not express opinions on the proposed merger, they have been excluded from the analysis.

### **Responses to the consultation**

- 19 There were 364 responses to the consultation. There were 255 online survey responses and 109 non-online responses. Of the non-online responses, 28 were individual letters or emails and 81 were identical responses – referred to in this report as ‘the standard letter’.

### **Responses to the wrong consultation exercise**

- 20 There were seven responses to the wrong online survey. Respondents chose the link on the Agency website to the consultation exercise for another proposed college merger. These have been excluded from analysis because some of the questions were different.

### **Completion of online surveys**

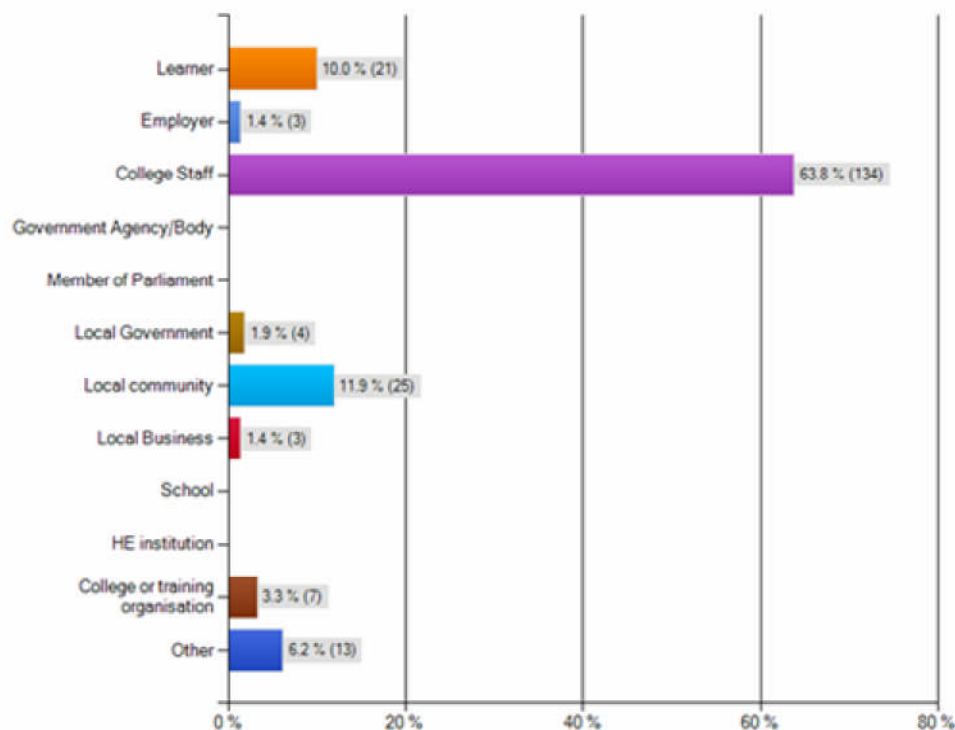
- 21 Of the 255 online responses:
- 208 respondents are regarded as having completed the survey because they clicked the ‘Done’ button at the end. They may however, have chosen not to answer every question.
  - 47 respondents did not click ‘Done’ at the end but answered some questions and in some cases added comments. The answers from these respondents have therefore been included in the analysis in line with practice in previous consultations, accepting that some respondents may not have intended for this to happen.

- 22 If only the 208 responses in the first group were used, support for the merger would be 41.8 per cent as opposed to 38.8 per cent when all 255 online responses are taken into account.

### Types of respondent

- 23 Respondents to the online survey were asked to describe their interest. The distribution of the 210 respondents who answered the question is shown in Chart 1.

**Chart 1: Which of the following best describes your interest?**



- 24 The clear majority of online respondents were 'College Staff'. They accounted for well over half of the responses at 64 percent. The next largest group was 'Local Community', followed by 'Learner', the only two other categories with more than 10 per cent.
- 25 Using the same classification types, the 109 non-online responses were distributed as follows.
- Other - 69.7 per cent (76)
  - Local community - 6.4 per cent (8)
  - College or training organisation - 5.5 per cent (6)

- Local Government - 4.6 per cent (5)
- Member of Parliament - 3.7 per cent (4)
- College staff - 2.7 per cent (3)
- Government Agency/Body - 1.8 per cent (2)
- Employer - 0.9 per cent (1)
- HE institution - 0.9 per cent (1)
- Learner - 0.9 per cent (1)
- Local Business - 0.9 per cent (1)
- School - 0.9 per cent (1)

26 The distribution of respondent type provides insight and perspective on the issues which might be of most interest to individuals and organisations in responding. For example in this case, the fact that the majority of responses were from college staff means that employment-related comments were made repeatedly.

### **Individual and organisational responses**

27 Consultation responses are from individuals or on behalf of an organisation. The distribution in this consultation was as follows.

- Of the 210 respondents who answered Question 10 on the online survey, 193 (92 per cent) described themselves as 'Individuals', the remaining 17 (8 per cent) as 'Organisations'.
- Of the 28 non-online responses by letter or email, 15 (54 per cent) were from organisations and 13 (46 per cent) from individuals.
- The 81 standard letters have been classified as from individuals because the letter concludes by saying 'Please put **my** views and objections forward'.

28 Where it is possible to say if responses were from organisations or individuals, 287 (90 per cent) were from individuals and 32 (10 per cent) were from organisations.

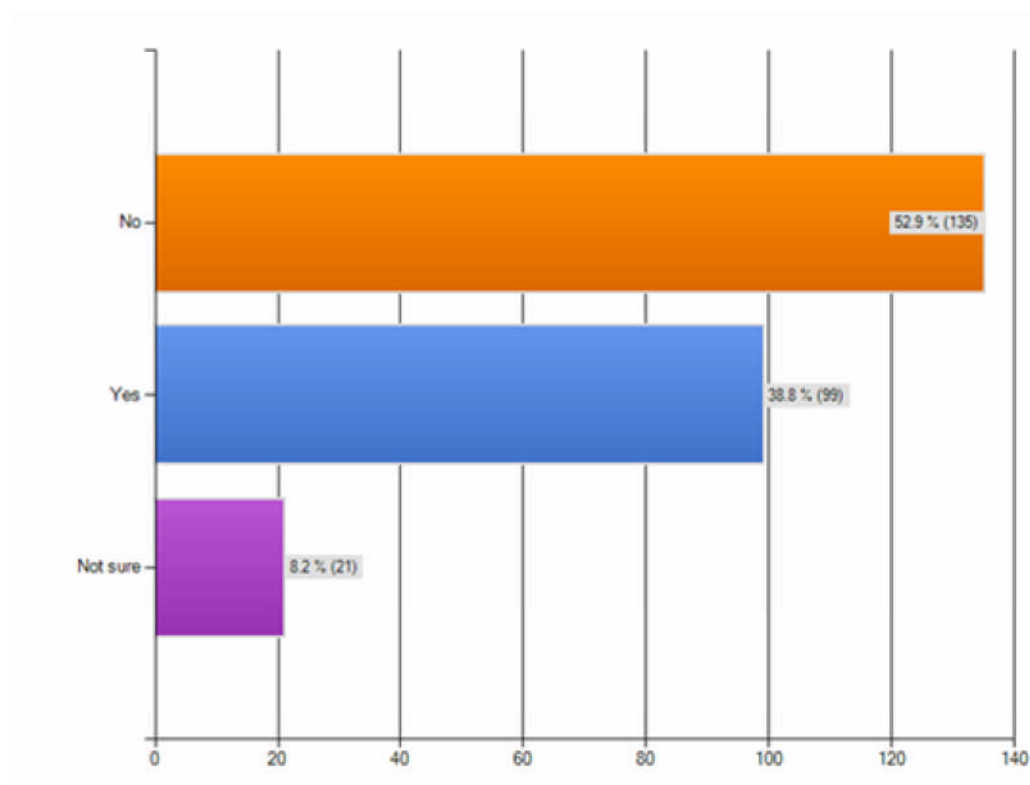
## Online survey responses (255)

- 29 The sections that follow confirm the answers given to each of the questions in the online survey.
- 30 Although there were 255 online responses in all, the number of responses to each question varies because some respondents chose not to answer every question.
- 31 For each question, a chart confirms the answers followed by high level conclusions and a high level summary of respondents' comments. As stated earlier, the summaries reflect respondents' comments only – they are not presented as facts and nor are they necessarily the views of the Agency.

### Question 1: Do you support the proposed merger?

- 32 Chart 2 shows the answers to the question. Where respondents also confirmed their area of interest in Question 11 (210 in all), the distribution of 'Yes', 'No' or 'Not Sure' answers is shown in Table 1.

**Chart 2: Do you support the proposed merger?**



**Table 1: Do you support the proposed merger? (Analysis of 'Yes'/'No'/'Not Sure' answers by respondent type)**

Do you support the proposed merger? (includes only the 210 of the 255 online respondents who confirmed their interest)			
Interest	'Yes'	'No'	'Not Sure'
Learner	17.2% (15)	4.6% (5)	6.7% (1)
Employer	1.1% (1)	1.9% (2)	0
College Staff	57.5% (50)	68.5% (74)	66.7% (10)
Government Agency/Body	0	0	0
Member of Parliament	0	0	0
Local Government	3.4% (3)	0	6.7% (1)
Local Community	10.3% (9)	13.0% (14)	13.3% (2)
Local Business	1.1% (1)	1.9% (2)	0
School	(0)	0	0
HE institution	(0)	0	0
College or training organisation	5.7% (5)	1.9% (2)	0
Other	3.4% (3)	8.3% (9)	6.7% (1)
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Conclusions from the answers

- A majority of respondents (135 or 52.9 per cent) said they did not support the merger.
- 99 respondents (38.8 per cent) supported the merger
- 21 respondents (8.2 per cent) were 'Not Sure'.
- College staff accounted for over half of the respondents identifying an interest: 74 respondents said they did not support the merger; 50 respondents supported it; and 10 were 'Not Sure'.
- The local community interest group had more respondents opposed to the merger (14) than in support (9) and 'Not Sure' (2)
- In the learner interest group, most respondents supported the merger (15), five did not and one was 'Not Sure'.

### Summary of comments

33 This is a high level summary of the comments made **by respondents**.

- The capacity of NCG to invest in the estates and facilities of NC and make the improvements needed there.
- The quality of leadership, management and provision at NCG.

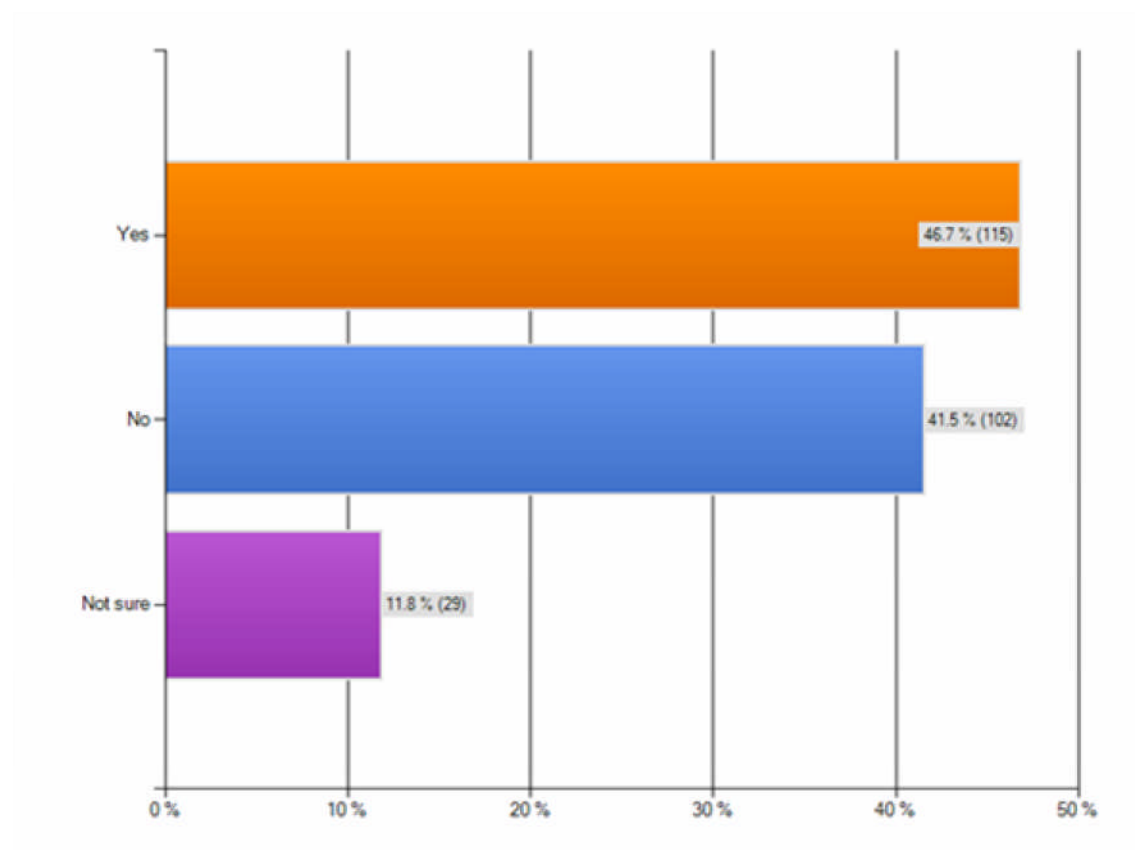
- The success of the NCG merger with Skelmersdale and Ormskirk College to use as a model.
- The potential for a broader and more secure curriculum to be offered to communities in Northumberland.
- An opportunity to preserve provision in Northumberland which may otherwise be lost entirely.
- The commitment to facilitating access to both FE and HE and improving access through helping secure fast broadband in Northumberland.
- The potential for greater value for money through shared services.
- The other options considered in the NC strategic options review have not been shared for comparison.
- Potential loss of the distinct NC identity in the larger college
- Potential impact on NC staff and how this will be managed.
- The future of HE provision in Northumberland especially if current partnerships between NC and universities come to an end as a direct result.
- The future of entry level and level 1 provision.
- The future of Kirkley Hall and the commitment to maintaining and developing land-based provision, especially when NCG's experience and capacity in managing this curriculum area is unclear.
- Potential for site closures and asset stripping and the impact on learners of having to travel to Newcastle such as expense, difficulties for learners with families, attending after work, or travelling from remote and rural communities.
- Impact of cost reductions on staff and students, for example, larger class sizes, transfer of courses to Newcastle.
- Not enough detail on the investments to be made in staff and facilities in Northumberland.
- NC could survive independently or in another type of collaborative model partnership especially with funding to upgrade facilities and strengthen governance, leadership and management.

- The benefits of large colleges are not proven.
- Merger is not in the interests of choice and competition locally.
- The disruption associated with the merger will affect students.
- Potential for the economy of Ashington to be affected adversely.
- Potential for other providers in the area to be destabilised
- Staff were not consulted about the merger plans.

### **Question 2: Do you support the objectives of the merger?**

34 The answers to this question are shown in Chart 3.

**Chart 3: Do you support the objectives of the merger?**



### **Conclusions from the answers**

- 46.7 per cent supported the objectives of merger.
- 41.5 per cent did not support the objectives of the merger.
- 11.8 per cent were 'Not Sure' whether they supported the objectives of the merger.

## **Summary of comments**

35 This is a high level summary of the comments made **by respondents**.

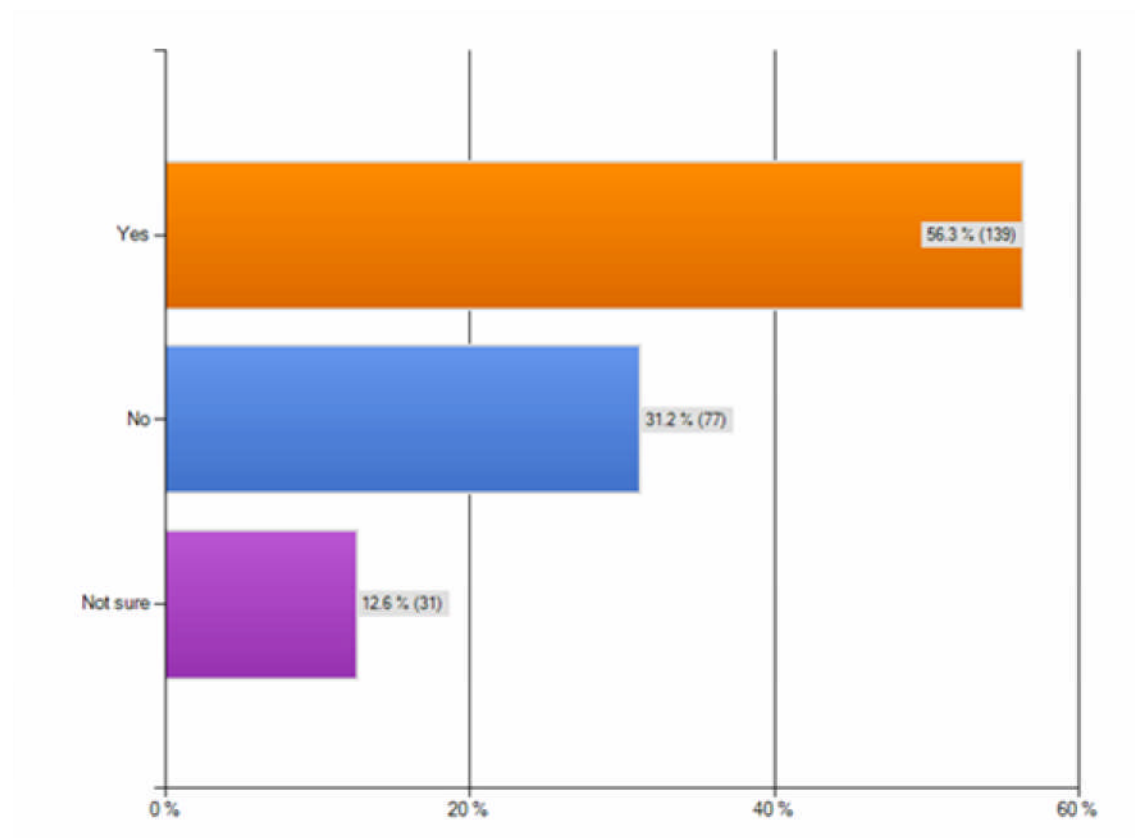
- The focus on securing fast broadband access for Northumberland is welcomed.
- A clear and comprehensive assessment of what needs to be done to create a successful, high quality, financially robust, sustainable college in Northumberland.
- A clear central objective is placing the needs of the learners first.
- More recognition needed in the objectives of land based provision
- A single curriculum plan for the Tyne to Scottish Borders would not reflect the diversity of need in rural and urban communities.
- More emphasis needed on diversity and on meeting the needs of minorities and those with special requirements.
- The objectives may give control to NCG. The objectives must have more mention of the community in Northumberland.
- Long term objectives are unclear especially the future of NC sites.
- Risks removing the competition that drives improvement.
- Seem unrealistic given realities of resource constraints, reducing staffing costs and low staff morale.

## **Question 3: Do you support the new college's vision?**

36 The answers to this question are shown in Chart 4.



**Chart 4: Do you support the new college's vision?**



### **Conclusions from the answers**

- 56.3 per cent supported the vision.
- 31.2 per cent did not support it.
- 12.6 per cent were 'Not Sure' if they supported it.

### **Summary of comments**

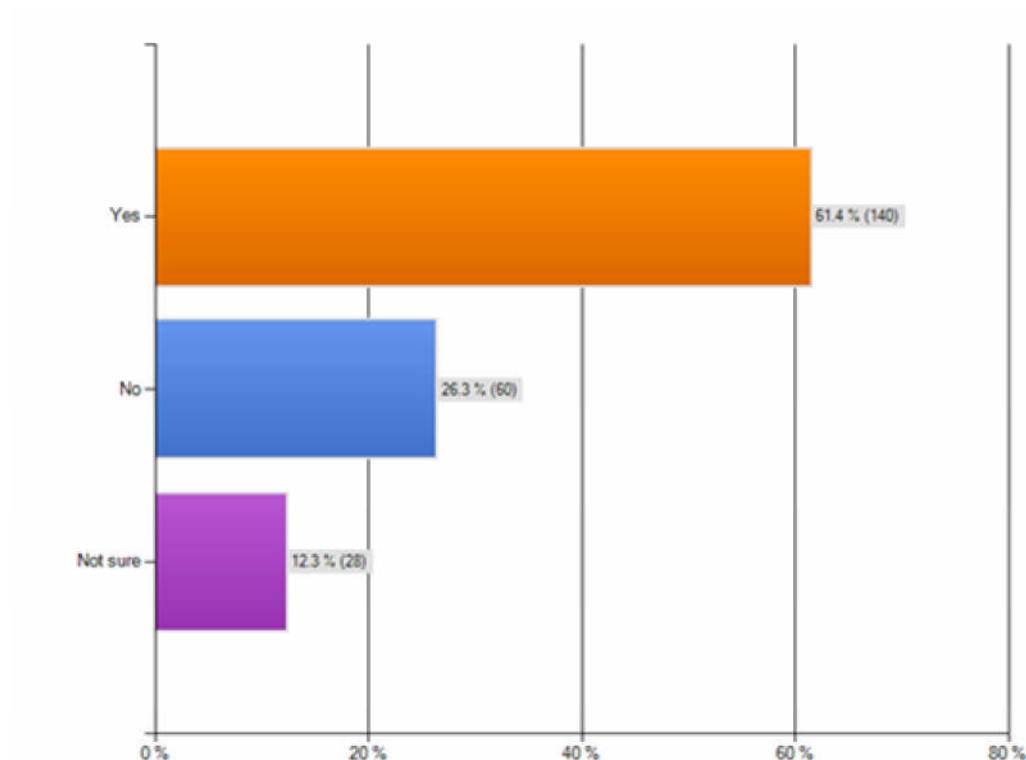
37 This is a high level summary of the comments made **by respondents**.

- NC will maintain its local links whilst benefiting from what NCG can offer, for example best practice and financial resources.
- A sound platform for growth and raising achievement and standards.
- Vision may not live up to its promise, for example without a guarantee there will be no decrease in provision in Northumberland.
- Prefer the vision and aims in NC's recent strategic plan.
- The north of Tyne and sub-regional dimensions of partnership working should be included.

#### Question 4: Do you support the plans for developing the curriculum?

38 The answers to this question are shown in Chart 5.

**Chart 5: Do you support the plans for developing the curriculum?**



#### Conclusions from the answers

- 61.4 per cent of respondents supported the plans for developing the curriculum. This was the largest percentage answer across all the questions in the online survey.
- 26.3 per cent did not support the plans.
- 12.3 per cent were 'Not Sure' if they supported the plans for developing the curriculum.

#### Summary of comments

39 This is a high level summary of the comments made **by respondents**.

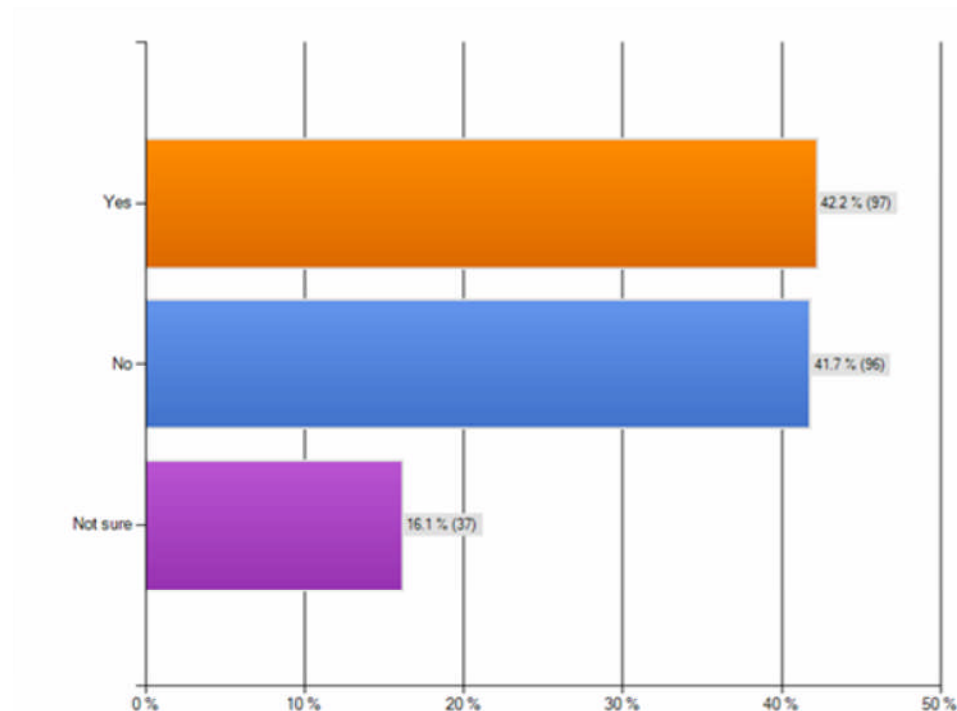
- The merged college will have the capacity to deliver relevant, diverse, high quality courses that meet the needs of local people and employers, especially in a changing economic climate.
- Full and detailed analysis of the curriculum to build on existing strengths is welcomed.

- The investment in IT will help rural communities disadvantaged from accessing the curriculum by their location.
- The curriculum must benefit more visibly the learners at NC and the people of Northumberland and it must not narrow.
- Needs more on how relationships with local schools will be developed, particularly those in rural areas and around access to HE.
- Provision that has provided excellent progression routes for learners in Northumberland should be protected.
- Any reduction in the local curriculum offer would hit an area already suffering from poor investment and third generation unemployment.
- Costs of curriculum change are unclear as are success measures.
- Forward looking plans are not detailed enough, for example, no mention of developing renewable energy courses at Kirkley Hall.
- Decisions must reflect a balance between learners' needs and profit.

**Question 5: Do you think the proposal will provide a good choice of high quality provision that meets the needs of learners and local communities?**

40 The answers to this question are shown in Chart 6.

**Chart 6: Do you think the proposal will provide a good choice of high quality provision that meets the needs of learners and local communities?**



### **Conclusions from the answers**

- 42.2 per cent said this would happen.
- 41.7 per cent said it would not.
- 16.1 per cent were 'Not Sure' if it would.

### **Summary of comments**

41 This is a high level summary of the comments made **by respondents**:

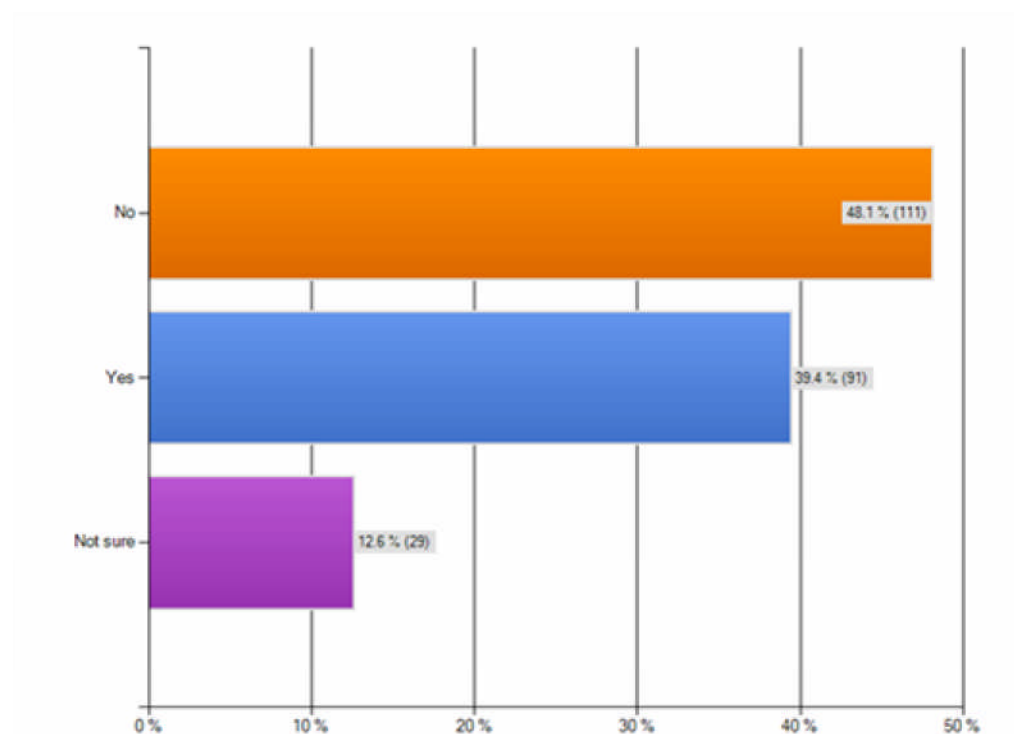
- NCG has a strong track record, both in Newcastle and at Skelmersdale and Ormskirk College (part of the NCG).
- NCG has confirmed that provision will continue at a number of locations to ensure that Northumberland is served by the new college and that raising standards and quality of provision will be a priority
- The investment in the college estate, equipment and facilities will attract more students.
- Could create the opportunity to reintroduce courses and prevent the local community from travelling further to learn.
- College management will be too far away to understand the needs of the rural community.

- Query the capacity for this when redundancies are taking place at NCG.
- The impact on the FE offer in other parts of the region is not clear.
- Merger risks creation of a virtual monopoly provider for Newcastle and Northumberland, which would reduce the choice and competition that keeps providers responsive to the needs of local communities.
- The future of provision that is not income-generating but is needed by local communities is unclear.

### **Question 6 Do you support the proposed arrangements for governance and management?**

42 The answers to this question are shown in Chart 7.

**Chart 7: Do you support the proposed arrangements for governance and management?**



### **Conclusions from the answers**

- 48.1 per cent did not support of the proposed arrangements for governance.
- 39.4 per cent said they did support the proposed arrangements.

- 12.6 per cent were 'Not Sure' if they supported proposed arrangements.

### **Summary of comments**

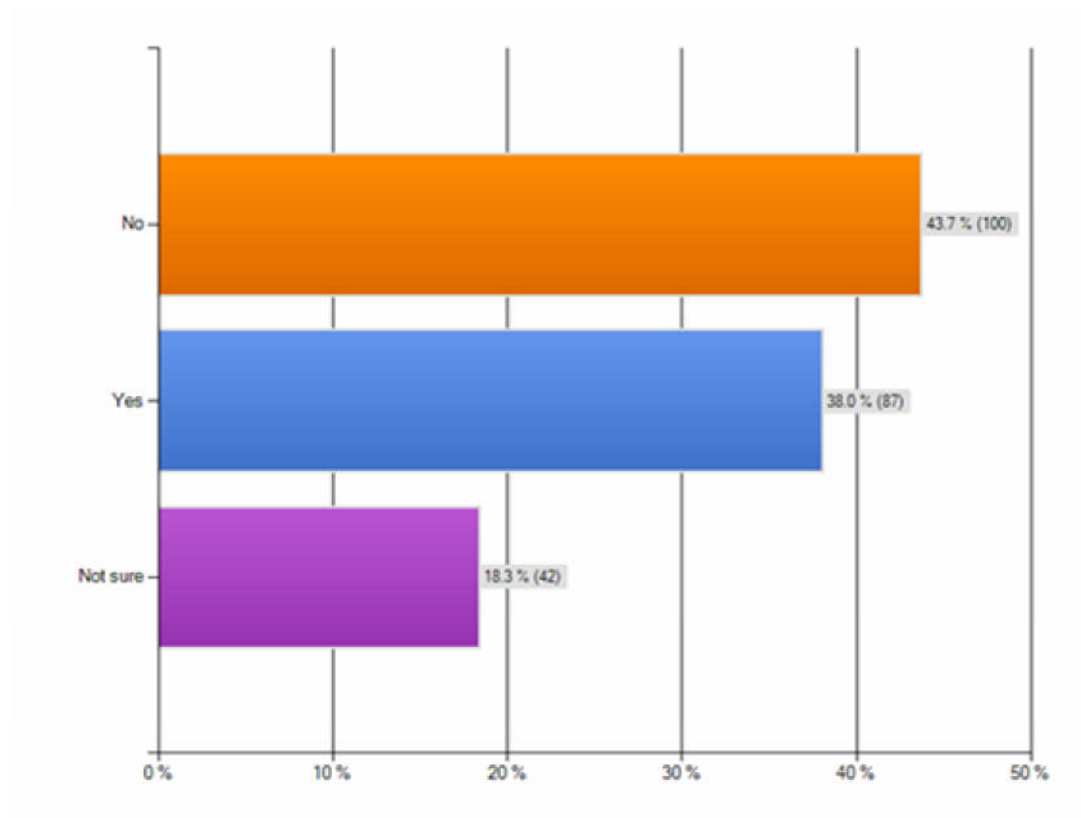
43 This is a high level summary of the comments made **by respondents**:

- The NC Advisory Committee will allow issues affecting Northumberland to be heard at board level, shape local strategy and provide a forum for local communities to raise issues. The model is used successfully by Skelmersdale and Ormskirk College as part of the NCG, as is having a college principal reporting directly to the Chief Executive of the NCG and acting as a member of the Group Executive Board.
- NCG has a different culture but its high quality governance, leadership and management will benefit learners and will address current leadership and management weaknesses at NC.
- Governors must have knowledge and understanding of land based industries and the education and training needs of micro businesses.
- Strong local influence is important. The Advisory Committee will weaken local decision making and accountability, negate local character and creativity and be unable to protect the interests of the communities of Northumberland.
- The needs of communities in Northumberland are very different to those of the people of Newcastle. One representative of NC on the NCG Board will not provide adequate understanding or safeguards. NCG's interests will be the primary factor in any delivery.
- Seems to run counter to the "localism" Agenda, which is encouraging more local involvement in an institution like NC.
- Bodies representing local communities should be more involved.
- The involvement of staff and learners through focus groups should continue.

### **Question 7: Do you think the proposed merger provides value for money?**

44 The answers to this question are shown in Chart 8.

**Chart 8: Do you think the proposed merger provides value for money?**



### **Conclusions from the answers**

- 43.7 per cent did not think the merger provided value for money.
- 38 per cent said that it did provide value for money.
- 18.3 per cent were 'Not Sure' if it provided value for money.

### **Summary of comments**

45 This is a high level summary of the comments made **by respondents**:

- It would lead to broader investment in Northumberland on the same terms as other NCG sites.
- May save some jobs in Northumberland, compared to NC closing.
- Since it became part of NCG, Skelmersdale and Ormskirk College has moved to a stronger financial position.
- The economies of scale needed for investment in facilities are not achievable by a stand alone NC.
- Lack of confidence in the capacity of both organisations to manage finances and ensure value for money.
- There should be no use of public money to support the merger.

- Monies spent on the merger should be invested in NC instead.
- Risk that if the priority for future funding is NCG, NC will be subjected to further budget constraints.
- Uncertain what savings will be made in Northumberland, for example through any sale of Kirkley Hall, how these will be reinvested and what impact savings will have on quality?
- Need a fully costed business case for the merger with the costed alternatives for comparison.
- No value for money for future learners from Northumberland who may be forced to travel to Newcastle.
- NC is improving and will return to profit, which should benefit Northumberland learners and not be ploughed into NCG.
- NCG course fees are higher than those of NC.
- Not sure what the new management structures will be and whether they will be value for money.

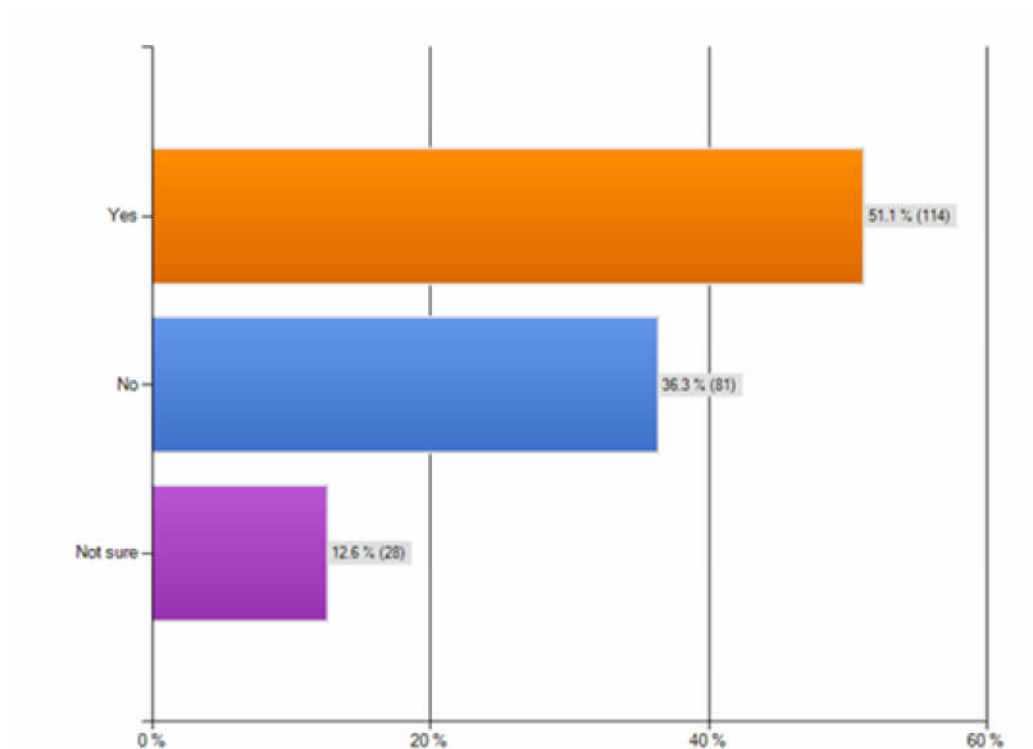
**Question 8: Do you think any group(s) of learners would be affected adversely by the changes?**

46 The answers to this question are shown in Chart 9.

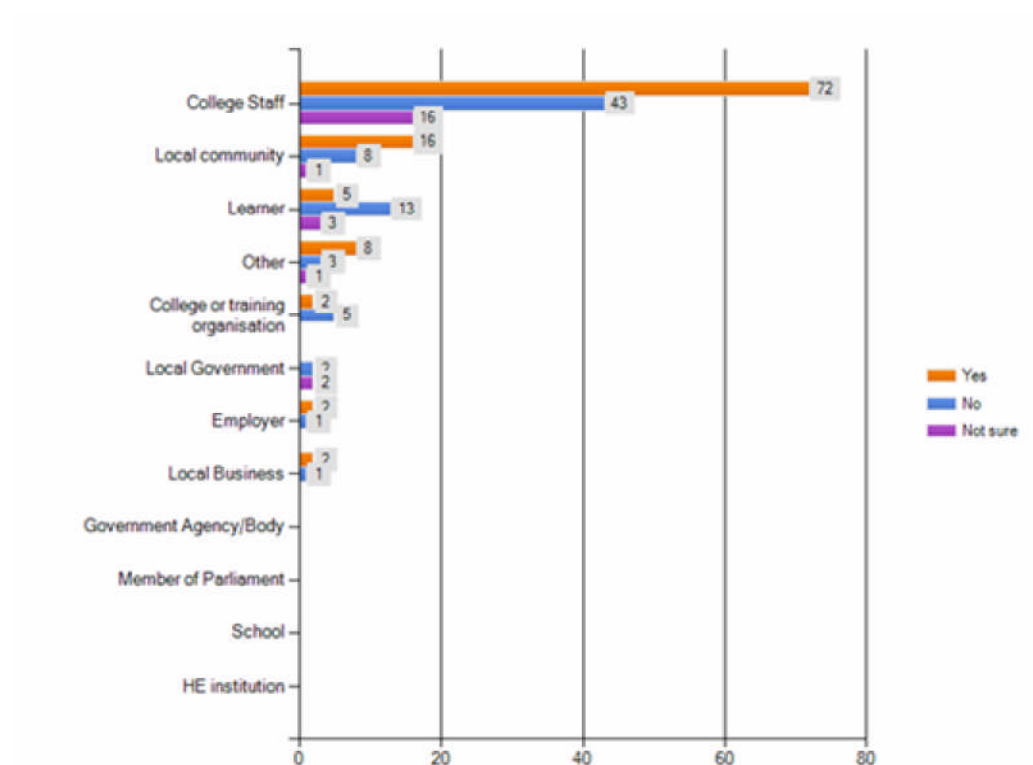
47 For this question we also compared the distribution of responses where the respondents had also confirmed their area of interest by answering Question 11. The results are shown in Chart 10.



**Chart 9: Do you think any group(s) of learners would be affected adversely by the changes?**



**Chart 10: Do you think any group(s) of learners would be affected adversely by the changes – respondent by interest type where known**



## Conclusions from the answers

- 51.1 per cent said learners would be affected adversely by the proposals.
- 36.3 per cent said they would not be affected adversely.
- 12.6 per cent were 'Not Sure' if they would be affected adversely.
- Of the 21 learner respondents in Chart 10, most (13) said they did **not** think learners would be affected adversely by the changes.
- College staff was the predominant respondent group. In this subgroup, 72 said learners would be affected adversely, 43 said they would not and 16 were not sure if learners would be affected adversely by the changes.

## Summary of comments

- 48 This is a high level summary of the comments made **by respondents**:
- Any reduction in provision or transfer to Newcastle will affect learners in Northumberland adversely by reducing choice and creating barriers for learners.
  - A corporate one-size-fits-all approach to planning, delivery and culture may reduce flexibility in the style of delivery.
  - If there are larger teaching groups and well motivated staff are lost. this will impact negatively on students, especially weaker students.
  - More information needed on how the merged college will help those with a physical or learning disability.
  - The way forward must support coherent pathways of learning, use advanced communications technology and have higher levels of educational integration and resource sharing. The University of the Highlands and Islands is recommended as an example.
  - Viable learner numbers have been an issue at NC. Running courses that are in demand should be the priority.

## Question 9: Do you have any other comments?

- 49 These were the key themes in final comments:

- Difficult to see how NC could otherwise be turned around.
- A significant opportunity to retain a college with a local identity and focus while benefiting from the greater capacity of NCG.
- Learners who may previously have travelled to learning providers further south will choose to study at NC.
- A real opportunity for NC to secure its financial stability and share the excellent centralised resource base of NCG.
- The leadership and management of NCG will drive up standards of teaching and learning for learners in Northumberland.
- NC can adopt the model used by Skelmersdale and Ormskirk College as part of the NCG to retain its own identity, improve and develop.
- NCG has a track record of delivering high quality learning which will transfer to Northumberland. This is in the best interests of learners.
- New developments and opportunities will help everyone to progress.
- Merger must result in a bold and radical approach to provision for lifelong learning from schools through FE to HE.
- NC staff will suffer and are already doing so. Morale is very low due to recent uncertainty and the potential for job losses.
- The merger is driven by financial savings and will result in centralisation rather than the localism the Government is promoting. Local identity and accountability will be lost and the merger will distance local institutions from their local FE provider.
- Courses may transfer to Newcastle and current NC sites may close, significantly disadvantaging communities in Northumberland. There must be guarantees about the future security of provision and sites.
- Efficiency savings will be made to ensure profitability regardless of the impact on the communities of Northumberland.
- NC should remain an independent college. Its situation has improved and would improve further with a new interim management team and the financial investment the county deserves.
- The local community will suffer from the job losses at NC.

- The merger will reduce choice competition between local FE institutions to the detriment of the service to local people. Other providers could be destabilised.
- Learners will lose their voice. They will be learners at an outreach centre rather than a college at the heart of learning in its community.
- NCG lacks experience of land based provision and their commitment to it is unclear. Senior managers and governors with a land based background must be added to the leadership and management team.
- More information needs to be shared openly: what investments will be made; what changes to provision there will be; what effect the merger will have on staff; and what other options were considered.
- Merger may conceal an asset stripping exercise.
- HE institutions are withdrawing from partnerships with NC which will detract from provision at NC now and in the future.
- A drive towards 'cheaper teaching' will result in larger class sizes, pay reductions and increased pressure on staff.

## **Non-online responses – individual letters and emails (28)**

- 50 There were 28 letters and emails containing views on the proposed merger<sup>2</sup> - 18 letters and 10 emails.
- 51 Using the options for describing area of interest from the online survey, the responses can be categorised as follows:
- Learner (1)
  - Employer (1)
  - College staff (2)
  - Government Agency/Body (2)
  - Local Government (4)
  - Local Community (5)
  - Local Business (0)
  - Member of Parliament (2)
  - School (1)
  - HE institution (1)
  - College or training organisation (5)
  - Other (4).
- 52 A high-level summary of the issues raised in the letters and emails follows. The responses have been shared in full with NCG and NC to take into account in developing an FMP.
- 53 The responses have been organised into three categories (Yes, No, Not Sure) for consistency with the first question in the online survey – ‘Do you support the proposed merger?’
- 54 Again for consistency with earlier analysis, they are categorised as being either from an individual (13 in all) or on behalf of an organisation (15).
- 55 Some individual letters and email responses were from people who used the standard letter (see next section) but added individual comments or concerns. Where this was the case the responses are counted here rather than in the next section of this report.
- 56 This is a high level summary of the comments made:

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<sup>2</sup> Where a letter was sent as an attachment to an email, it is counted as a letter.

- NC cannot survive independently due to its financial instability, inability to make the investments needed, poor curriculum and success rates and poor leadership and management.
- Merger is the best option to maintain a high quality vocational offer in Northumberland and is in the best interests of young people in Northumberland.
- Merger would benefit learners, employers and communities. There should be more on Apprenticeships in the FMP.
- A merger is supported but the issues raised in consultation must be addressed in the next stages of the process.
- Could increase journey times for learners and the delivery of HE is at risk if universities withdraw from partnerships with NC.
- Specialist, responsive provision at NC must be preserved, for example Apprenticeship provision in refrigeration.
- Merger would have detrimental effects in terms of localism, competition, provision of education in Northumberland and industrial relations/staffing matters, especially as the Advisory Group will not have decision making powers.
- Other options such as collaborations or federations involving other providers are not seen to have been considered adequately. The alternatives to merger should be reviewed.
- Merger could create a virtual monopoly of post 16 provision in the area.
- No guarantees that the current range of the curriculum offer locally will remain and a continuation of provision at current sites, especially in the remoter areas of Northumberland will continue.
- The smaller college partner would be disadvantaged.
- The impact on other FE colleges in the area is unclear.
- More needed of what new opportunities will be taken by the merged college, for example around the low carbon economy
- The merger could particularly affect young people in Northumberland: a group already marginalised by poor transport and job opportunities and inadequate work based learning provision.

- If the Kirkley Hall site is sold this will affect local communities, for example children who currently use the space for play. The lack of detail on planned investments in the estate and facilities at NC contributes to concerns about asset stripping.
- More evidence needed of an understanding of the land-based industries, the importance of farming to the character and identity of Northumberland and of a commitment to maintaining and developing NC's provision in the area. This merger is with an urban college with little experience of working in the land-based sector is proposed. .
- Merger is unproven as the solution to college recovery
- Choice and competition would be lost. Some employers and learners prefer to work with a small institution.
- Very large organisations, although they may succeed in the short term, are likely to lose focus on, for example, partnering with local schools, working closely with local employers and understanding the different local communities.
- Staff are unhappy about the proposed merger which would impact on the learner experience.
- Public funding should not support the merger.
- Potential partners of the merged college, such as schools, would more information on priorities for collaboration.
- More evidence of an understanding of how the particular needs of communities in Northumberland and how these would be met.
- Whatever the new arrangements are, they must deliver on HE in Northumberland.

## **Conclusion**

57 In terms of consistency with an answer to the first question in the online survey, 'Do you support the proposed merger?', the responses can be seen as follows:

- Yes (4)
- No (15)
- Not sure (9)

## **Non-online responses – the standard letter (81)**

- 58 There were 81 responses containing exactly the same content. Collectively these responses are referred to as ‘the standard letter’.
- 59 These responses are included in the analysis because, although the letter was drafted by a single source, the standard letter was submitted separately by 81 people. However, we have considered these responses separately here in order to distinguish them from those which were independently initiated.
- 60 The standard letter did not confirm if the respondent was replying as an individual or on behalf of an organisation or their area of interest which explains the high number in the ‘Other’ category:
- Learner (0)
  - Employer (0)
  - College staff (1)
  - Government Agency/Body (0)
  - Local Government (1)
  - Local Community (3)
  - Local Business (1)
  - Member of Parliament (2)
  - School (0)
  - HE institution (0)
  - College or training organisation (0)
  - Other (73)
- 61 The key objections in the standard letter were as follows:
- A flawed strategic options review process.
  - Failure to explore collaborative or federated alternatives adequately.
  - Inadequate exploration of partnerships to support the land-based economy.
  - Merger proposal fails to meet “localism” agenda.
  - Merger model is not a proven model for college recovery.
  - Merger model will eliminate choice for learners throughout the County and beyond.



- Merger would not be the interest of local competition between providers.
- Skills Funding Agency (or another partner) financial support is inconsistent with the Government's stance.
- Alternative models are still available for consideration.

## **Conclusion**

62 The standard letter was opposed to the merger, so in terms of consistency with an answer to the first question in the online survey 'Do you support the proposed merger?' the answers can be seen as follows:

- Yes (0)
- No (81)
- Not sure (0).

## Summary of all responses

- 63 Analysis of the 364 responses shows that the majority did not support the merger as proposed in the consultation document. However, there was support for aspects of it, such as the objectives of the merger, the vision for the new college and the plans for developing the curriculum:
- 53 per cent (135 of the 255 respondents) of those answering Question 1 of the online survey said they did not support it and of the 109 non-online responses, 96 (88 per cent) did not support it. Across the total 364 responses therefore, 231 did not support the proposed merger – 63 per cent.
  - 103 responses supported the proposed merger (99 in the online survey and four non-online respondents) amounting to 28 per cent.
  - 28 respondents (21 in the online survey and seven non-online) were 'Not Sure' if they supported it – 8 per cent.
- 64 Analysis of the different questions in the online survey shows clear evidence of support for aspects of it, for example:
- The largest group of responses supported the objectives of the merger and a majority supported the vision.
  - Over 60 per cent of responses supported the plans for developing the curriculum.
  - Almost equal numbers thought the proposal would provide a good choice of high quality provision that meets the needs of learners and local communities as thought it would not.

## Messages for the Final Merger Proposal

65 With such a high response rate, it has been impossible to reflect every comment. Instead, we have summarised stakeholders' views at a high level and identified some specific messages for the colleges' development of an FMP:

- **Local accountability.** Merger would mean the dissolution of the only FE college in Northumberland, which is at the heart of responses from many stakeholders. This can be seen in the number of queries raised, for example, around the Advisory Committee having more limited powers than that of a governing body, the different cultures of NC and NCG, and the relationship with the Government's thinking on "localism". The FMP should include more detail on governance, management and staffing arrangements and include the constitution and terms of reference of the NC Advisory Committee. There should also be some detail on how NC and NCG will engage with local communities, including both individual and organisational stakeholders, to share information and build relationships that will support the successful implementation of the merger.
- **Future of NC sites.** There is uncertainty among stakeholders about the future of the current NC sites and outreach centres and the offer there; from the potential for sites to be sold or closed to some courses not being offered locally in future. There was also recognition that NCG could provide the investment needed in the estates and facilities at NC with benefits for learners and local communities. The FMP should include more information on any future plans for the NC estate, taking into account the questions raised by stakeholders in the consultation.
- **Curriculum offer.** There was interest in the curriculum offer in Northumberland. The FMP should include a description of the curriculum and its benefits for learners, employers and local communities.
- **Choice and competition.** The potential for the merger to reduce competition and/or destabilise other providers was raised by some

respondents. The FMP should include an assessment of the impact of the merger on choice and competition in the area served by NCG and NC.

- **Land-based provision.** The view held by some people of the importance of land-based provision in Northumberland was highlighted from the future of the Kirkley Hall site; to NCG's capacity to manage land-based provision; to whether new opportunities would be taken, for example in renewables. The FMP should include information on how the land-based curriculum will be taken forward.
- **Rationale for this option.** The alternatives for securing the future of NC were seen not to have been fully explored by NC in its strategic options review or, if they were, that the analysis was not available to stakeholders. The review, an earlier and separate exercise to the consultation document, was commissioned by NC. The FMP should include information on what options were identified, how they were considered and why they were rejected in favour of this merger proposal.
- **Impact on students.** Some respondents said that learners could be affected adversely by the merger, for example if current partnerships with universities ended or if provision is moved to Newcastle rather than delivered more locally in Northumberland. We would expect the potential impact on learners to be assessed through the initial screening exercise required under criterion 5 of the merger criteria for FE colleges<sup>3</sup> and by a full equality and diversity impact assessment, if the need for one is identified by the screening. The FMP should include information on the initial screening exercise and any subsequent or planned follow-up action.
- **Value for money.** The FMP always provides a full opportunity to assess whether the merger provides value for money, for example the balance between costs and savings. The financial section of the FMP for the merger should consider how the merger provides value

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<sup>3</sup> *Further Education Colleges – Models for Success*, Department for Business Innovation and Skills, page 26.

for money. The view held by some people that achieving value for money can have adverse impacts, for example on the learner experience, should be considered as part of this.

### **Timescales**

66 These are the expected timescales for the next stages of the process:

- Mid-July – FMP submitted to the Agency.
- End of August – assessment and recommendation to Secretary of State.
- September – decision by Secretary of State.
- Early October - laying of orders before Parliament (if approved).
- 1 January 2012 – proposed date for merger (if approved).

## Annex A: Questions asked in the online consultation survey

Mandatory questions are indicated by an asterisk \* (but respondents could leave the survey without completing it in full). For each main question, respondents were given a choice of 'Yes', 'No', 'Not Sure', unless otherwise stated. The follow-up questions all allowed the submission of free text.

Main question	Follow-up question
* Do you support the proposed merger?	Do you have any comments on this?
Do you support the objectives of the merger?	Do you have any comments on this?
Do you support the new college's vision?	Do you have any comments on this?
Do you support the plans for developing the curriculum?	Do you have any comments on this?
Do you think the proposal will provide a good choice of high quality provision that meets the needs of learners and local communities?	Do you have any comments on this?
Do you support the proposed arrangements for governance and management?	Do you have any comments on this?
Do you think the proposed merger provides value for money?	Do you have any comments on this?
Do you think any group(s) of learners would be affected adversely by the changes?	If so, who and why?
* Do you have any other issues or comments? (Yes / No)	If so, what are they?
* Are you responding as an individual or an organisation?	
* Which of the following best describes your interest?	Choice of: Learner, Employer, College Staff, Government Agency/Body, Local Government, Member of Parliament, Local Community, Local Business, School, HE institution, College or training organisation, Other (If other, please specify)

## **Annex B: Statutory Consultation Notice**

### **Statutory Notice - Further and Higher Education Act 1992**

The Chief Executive of Skills Funding hereby gives notice in accordance with the provisions of section 51 of the Further and Higher Education Act 1992 (the Act) as amended by the Apprenticeships, Skills, Children and Learning Act 2009, of the draft proposal that the Secretary of State under section 27 of that Act should by order provide for the dissolution of the further education corporation of **Northumberland College** and the transfer of the property, rights and liabilities of that corporation.

Dissolution of the corporation is proposed, at the request of the corporation of **Northumberland College** in order that the college may merge with **Newcastle College**. It is proposed that the property, rights and liabilities of the corporation to be transferred to the corporation of **Newcastle College** which proposes to change its name to **NCG**.

The date proposed for the dissolution is **1 January 2012**.

Provision will be made for all students at **Northumberland College** who have not yet completed their courses of study by the date of the proposed dissolution to complete their studies at **Northumberland College** which will operate, post merger, as a division of NCG, assuming that the name change is approved.

A copy of the draft proposal is available free of charge from me and will be sent to any person who requests it.

In accordance with the provisions of section 51 of the Act, representations may be made to me by **17 June 2011**. Representations can be made at <http://skillsfundingagency.bis.gov.uk/providers/allthelatest/consultations/> or in writing to [providerreorganisations@skillsfundingagency.bis.gov.uk](mailto:providerreorganisations@skillsfundingagency.bis.gov.uk) or to:

**Geoff Russell, Chief Executive of Skills Funding**

**Cheylesmore House, Quinton Road, Coventry CV1 2WT**

Date: 16 May 2011

Signed:



## **Annex C: Stakeholders notified of the consultation on the proposed merger of Northumberland College and Newcastle College Group.**

157 Group	e-Skills UK
All Saints Church of England College Trust	Excelsior Academy
Alliance of Sector Skills Councils	Financial Services Skills Council
AOC North	Gateshead College
Ashington Community High School Sports College	Gateshead Council
Ashington Learning Partnership	Glebe Centre
Asset Skills	Gosforth Academy
Association for College Management	GoSkills
Association of Colleges	Government Skills
Association of Learning Providers	Groundwork
Association of National Specialist Colleges	Haydon Bridge High School & Sports College
Association of Teachers and Lecturers	Heaton Manor School
Astley Community High School	Hexham Priory School
Atkinson House School	Higher Education Funding Council for England
Barndale House School	Hillcrest School
Baroness Maddock	HOLEX
Bede Academy	Home Group
Bedlingtonshire High School	House of Lords
Benfield School	Improve Ltd
Berwick Community Trust	Institute of the Motor Industry
Berwick upon Tweed Community High School	Kenton School
British Chambers of Commerce	Kielder Partnership
City of Sunderland College	King Edward VI School
Cleaswell Hill School	Landex
Cogent	Lantra
Connexions Newcastle	LEAFA
Connexions Northumberland	Learning and Skills Improvement Service
Construction Skills	Morpeth Collingwood School
Coquet High School	MEP for North East England
Cramlington Learning Village	MP for Berwick <sup>4</sup>
Creative and Cultural Skills	MP for Bishop Auckland
Department for Business Innovation and Skills	MP for City of Durham
Duchess's Community High School, Alnwick	MP for Easington
Durham County Council	MP for Houghton and Sunderland South
Energy & Utility Skills	MP for Jarrow

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<sup>4</sup> MP for Berwick was not written to by Chief Executive of Skills Funding Agency but was aware of the consultation and responded



MP for Newcastle Central  
 MP for Newcastle East and Wallsend  
 MP for Newcastle North  
 MP for North Durham  
 MP for North Tyneside  
 MP for North West Durham  
 MP for Sedgefield  
 MP for South Shields  
 MP for Sunderland Central  
 MP for Tynemouth  
 MP for Washington and Sunderland West  
 National Apprenticeship Service  
 National Union of Students  
 National Union of Teachers  
 NCJ Media  
 New College Durham  
 Newcastle City Council  
 Newcastle Gateshead Initiative  
 Newcastle University  
 North Tyneside Council  
 Northumberland Care Trust  
 Northumberland Church of England  
 Academy  
 Northumberland County Council  
 Northumberland Tourism  
 Northumbria University  
 Ofsted  
 People 1st  
 Ponteland Community High School  
 Primaral Healthcare  
 Proskills UK Ltd  
 Prudhoe Community High School  
 Queen Elizabeth High School, Hexham  
 Sacred Heart High School  
 Scottish Borders Council  
 SEMTA  
 Sheffield Hallam University  
 Sixth Form Colleges' Forum  
 Skills Active  
 Skills for Care and Development  
 Skills for Health  
 Skills for Justice

Skills for Logistics  
 Skillset  
 Skillsmart Retail  
 South Tyneside College  
 Sponsors Club for Arts & Business  
 St Mary's RC School  
 St. Benet Biscop RC High School  
 St.Cuthbert's RC High School  
 Summit Skills  
 Sunderland City Council  
 Sunderland University  
 TDR Limited, Gateshead  
 The Alnwick Garden  
 The Blyth School Community College  
 The Dales School  
 The Fulforth Centre  
 The Grove Special School  
 The Miners' Hall  
 The Open University  
 Tyne Metropolitan College  
 UKCES  
 UNISON  
 University and College Union  
 Walbottle Campus  
 Walker Technology College  
 Young Enterprise North East  
 YPLA

